

IOSCO COUNTY MEDICAL CARE FACILITY

1201 Harris Avenue
Tawas City, Michigan 48763

THOMAS D. MEYER
ADMINISTRATOR

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Date: 3/17/11

The Honorable State Representative, Gail Haines

RURAL HOSPITAL SWING BED EXPANSION BILL

My name is Thomas Meyer and I serve as Administrator for the Iosco County Medical Care Facility, an 83 bed skilled nursing facility located in Tawas City, Michigan. In my area our local hospital has 10 swing beds. There are three skilled nursing homes within 1-2 miles of the hospital with over 250 licensed skilled nursing home beds. All three are running at about 85-87% occupancy leaving 30 to 40 open skilled nursing home beds available. Our current cost for treating skilled residents discharged from the hospital is about \$300.00 per day. If hospital swing beds are utilized as a choice for placement the cost will escalate by many hundreds of dollars per patient day.

In the skilled nursing home setting we provide planned daily activities, social events, culture change and a homelike environment compared to a more medical sterile environment found in the hospital. Over half of the nursing home beds in my area are private rooms compared to semiprivate rooms in the hospital, we have dogs, cats, birds and a living environment. We are governed by many rules and regulations unknown to the hospital and must operate in accordance with CMS certification standards. All of our care personnel are registered, certified and/or licensed.

Currently our local hospital employs all of the physicians in our area except one. Recently, I was required to recruit a physician from out of town to see my residents because the hospital was unwilling to provide me with one of their physicians to see our residents. What will happen to the availability of physicians to our local nursing homes if swing beds are utilized to care for nursing home residents?

I have heard the argument that this matter should be about the residents' choice of where they would like to stay however, in reality, hospital discharge planners and physicians, for the most part, determine where the resident goes for care. Most of the time they are directed to the nursing home where their physician has privileges. If a physician is employed by the hospital and the hospital has swing beds they can use as skilled nursing home beds, where do you think the resident will be directed to and at what cost to the system? Yes, a resident should have choice, when they are paying for their care or when the cost is similar, but should a resident be directed to the highest cost setting from those who would benefit by overcharging a system that is already strapped and going broke? A rate, in many cases over **six times** the nursing home cost.

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Most residents discharging to a skilled nursing home have never set foot in one and have no idea of the services offered or what our buildings offer. Most nursing homes have come a long way in recent years. In my facility we have just completed a new 10 bed all private room small house based on the EDEN Alternative Greenhouse model. Our staff works under a self directed work team concept with residents getting up in the morning when they want to get up, eating breakfast when they want too and most importantly, directing their own lifestyle and interests. This is a far cry from the sterile environment setting the hospital offers. The very model that brought us the increased regulation we now operate under.

Residents need to be placed in the appropriate setting for care and recovery. Skilled nursing homes play a significant role in the overall health and well being of our elderly population that utilizes our services. It seems to me that utilizing hospital swing beds for this purpose is not only poor public policy, but also does our elders a great disservice while allowing hospitals the opportunity to monopolize health care at our elders and taxpayer expense.

I would invite each and every one of you to visit my skilled County Medical Care Facility to see firsthand what we do and what we offer to those needing our services as compared to the sterile hospital environment that current trends for skilled nursing home care are trying to avoid by adopting the culture change movement.

I hope you will understand that I am not trying to be negative toward the hospital setting. Hospitals are a needed and necessary part of the health care continuum and are leaders in the health care community, however; skilled nursing homes contribute and offer a necessary part of the continuum as well. Injuring or creating a negative impact on one provider to foster growth in another at the expense of the user and taxpayer is not good public policy.

Skilled nursing homes are required to undergo stringent health inspections from the Michigan Department of Community Health on an annual basis for Medicare Certification and on a semi-annual basis for licensure. They must be run by a licensed Nursing Home Administrator who is accountable to his/her state licensing agency. We are subject to the Certificate of Need, CON, standards for increasing or decreasing our bed size and must pay significant fees for this. If hospitals are going to get into the skilled long-term-care business then they need to have the same consumer protection and oversight as skilled nursing homes.

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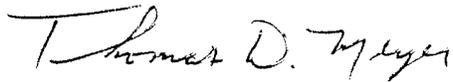
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The Iosco County Medical Care Facility is supported locally by .46 mills of voted millage. Over 78% of local voters approved this millage, talk about choice! They chose to support us and want us as their first choice for long-term-care. This local certified public expenditure along with the current Maintenance of Effort bed tax and participation with the Quality Assessment Assurance Program is utilized by the State of Michigan to draw down matching federal funding. Should we close due to decreased census brought on by expanding the use of swing beds the State of Michigan stands to forfeit significant matching federal dollars. There is also the risk of significant job loss and hardship to our local economy and the states revenue from the same.

Governor Snyder has stated he wants value for the services being provided by the state. We bring value to the State of Michigan for the services we provide at a cost much less than the hospital can offer while at the same time enhancing federal matching funds. We provide stable jobs, the setting, "choice" our local voters want for long-term-care and help the State of Michigan's economy.

Sincerely,



Thomas D. Meyer, RN, NHA, MACHCA